

**IN THE MATTER OF AN OPPOSITION by
The Toronto-Dominion Bank to
application No. 787,304
for the trade-mark EVERGREEN SAVINGS CREDIT UNION
in the name of Evergreen Savings Credit Union**

On July 12, 1995, Evergreen Savings Credit Union, the applicant, filed an application to register the trade-mark EVERGREEN SAVINGS CREDIT UNION. The application is based upon use of the trade-mark in Canada since at least as early as May 1986 in association with financial services, namely the operation of a credit union.

The application was advertised for opposition purposes in the Trade-marks Journal of May 22, 1996. The opponent, The Toronto-Dominion Bank, filed a statement of opposition on October 18, 1996. The applicant filed and served a counter statement in which it denied the opponent's allegations.

The opponent filed the affidavit of Ann Holtby as Rule 41 evidence. Ms Holtby was cross-examined on her affidavit and the transcript of the cross-examination and answers to undertakings given during the cross-examination form part of the record.

As Rule 42 evidence, the applicant filed the affidavit of Greg Longster. The applicant also obtained leave under Rule 44(1) to file an affidavit of Linda Elford, a supplementary affidavit of Greg Longster, and an affidavit of Verna Smith.

Only the applicant filed a written argument.

An oral hearing was requested and scheduled, but at the last moment both parties chose to not participate.

Although the ultimate legal burden lies on the applicant in opposition proceedings, there is an evidential burden on the opponent to first adduce sufficient evidence to support the truth of its allegations.

The opponent pleads that the application does not comply with section 30 of the *Trade-marks Act* for two reasons. First, pursuant to subsection 30(i), the opponent pleads that the applicant could not have stated it was entitled to use the mark in view of the extensive use by the opponent of certain trade-marks and trade-names. This ground fails because the opponent has neither alleged confusion nor that the applicant was aware of the opponent's use. Second, pursuant to subsection 30(b), the opponent alleges that the applicant has not used the mark since the claimed date of first use. This ground fails because the evidence does not cause me to doubt the veracity of the applicant's claimed date of first use.

The main ground of opposition is that the applicant's trade-mark is not distinctive because it does not and cannot actually distinguish the applicant's services from the banking and securities services performed by the opponent in association with the opponent's trade-marks and trade-names EVERGREEN, EVERGREEN INVESTMENT SERVICES, TD EVERGREEN and TD

EVERGREEN INVESTMENT SERVICES. The applicant has interpreted the non-distinctiveness ground of opposition as alleging that EVERGREEN SAVINGS CREDIT UNION is confusing with the opponent's marks/names.

The legal onus is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its services from the services of the opponent throughout Canada [*Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)]. However, there is an evidential burden on the opponent to prove the allegations of fact supporting its ground of non-distinctiveness. The opponent need show that as of October 18, 1996 its trade-marks/trade-names had become known sufficiently to negate the distinctiveness of the applied-for mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.), *Re Andres Wines Ltd. and E. & J. Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 412 at 424 (F.C.A.)].

Before assessing the evidence as of the material date of October 18, 1996, I will deal with the applicant's submission that Ms Holtby's affidavit should be excluded from evidence as a consequence of her refusal to answer certain questions during cross-examination. The questions that were refused were primarily directed to Ms Holtby's view as to whether certain statements made in the opponent's written argument in another opposition proceeding were applicable to the present case. Ms Holtby is the Senior Manager of Marketing with TD Evergreen Investment Services, a division of TD Securities Inc., a licensee of the trade-mark EVERGREEN and other

EVERGREEN marks owned by the opponent. I do not consider it unreasonable for the opponent's agent to have not allowed Ms Holtby to respond to questions concerning the applicability of statements made in another opposition. Nor do I think it inappropriate that Ms Holtby did not answer when questioned why the opponent was opposing this mark. Clearly Ms Holtby was not involved in the argument made in the earlier opposition, nor is she the decision maker regarding the commencement of the present opposition. Finally, I draw no negative inference from the fact that Ms Holtby did not answer whether she thought, when looking at the two marks side by side, that the two marks were so similar that a potential customer would walk in the door of Evergreen Savings Credit Union believing that they are dealing with TD Evergreen. First of all, the proper test is not to do a side-by-side comparison of the marks, and secondly it appears that the applicant is attempting to obtain Ms Holtby's answer on a conclusion of law question, which is my role, not hers.

Ms Holtby attests that her company is a "full service broker, offering a complete range of investment products and advice to individual investors", including stocks, GICs, RSPs, RIFs, mutual funds and bonds. Prior to June 1994, TD Evergreen Investment Services displayed exterior signage at its offices that read **EVERGREEN INVESTMENT SERVICES**. As of June 1994, such signage read **TD EVERGREEN INVESTMENT SERVICES** and as of January 1, 1996 such signage read **TD EVERGREEN**. However, we have not been provided with pictures of any signage. Given that the material date is October 18, 1996, I will begin by focusing on the use of **TD EVERGREEN** as of that date.

Having reviewed the exhibits to Ms Holtby's affidavit, the only materials that I have located showing use of TD EVERGREEN prior to October 18, 1996 are the newsletters, provided as Exhibit "G", which were sent to existing clients. In 1996, Ms Holtby has attested that there were approximately 60,000 active accounts held by clients. Further, based on her statement that at that time an individual could have, at most, two accounts, I can conclude that there were at least approximately 30,000 individuals who received those newsletters.

During cross-examination, Ms Holtby attested that around January 1996, they became stricter about using TD EVERGREEN as opposed to EVERGREEN on its own. From a marketing perspective, she agreed that the letters TD are a very powerful brand. However, this does not mean that there was no informal use of EVERGREEN. [Questions 126-133, 209-211] So I will now consider the evidence of use of EVERGREEN *simpliciter* by the opponent as of October 18, 1996.

The best exhibit showing use of EVERGREEN is the brochure attached as Exhibit "C", which Ms Holtby says was available until November 1995. Although Ms Holtby's affidavit reads that it was available to members of the general public, during cross-examination she agreed that the target audience was potential brokers. In fact, the brochure is more in the nature of an employment brochure. There is also evidence of use of EVERGREEN at the top of client account statements, which use is said to have occurred from September 1993 to August 1994, when EVERGREEN was replaced with TD EVERGREEN.

Ms Holtby states that the brochure in Exhibit “C” also uses the trade-marks EVERGREEN INVESTMENT SERVICES and TD EVERGREEN INVESTMENT SERVICES. Exhibit “C” appears to be the best evidence of use of either of these marks prior to the material date but since it concerns employment with the opponent, I do not consider it to be particularly pertinent. I also note that the brochure displays TD EVERGREEN INVESTMENT SERVICES INC., not TD EVERGREEN INVESTMENT SERVICES.

Based on the evidence, I accept that the opponent had acquired some reputation in association with TD EVERGREEN as of the material date.

Mr. Longster is the applicant’s Manager of Marketing and Communications. He attests that since May 1986 the applicant has used EVERGREEN SAVINGS CREDIT UNION on virtually all of its advertising, promotional items and printed material. He provides many examples of such materials dating from August 1986 through July 1996. The applicant provides a full range of financial services across North-Central Vancouver Island. Its clients consist exclusively of members, who purchase shares as a condition of membership.

Ms Smith provides a newspaper article and other materials which state that TD EVERGREEN now operates as TD Waterhouse Investment Advice. However, this change appears to have taken place in July 2002, well after the date that is material in these proceedings. Nevertheless, it does perhaps explain why the opponent made neither written or oral submissions in support of its case.

Ms Elford, a trade-mark searcher, has provided copies of the written argument filed by the opponent in opposition proceedings with respect to its application No. 740,605 to register the trade-mark TD EVERGREEN. The applicant is relying on this evidence in support of its argument that the opponent is estopped from asserting that there is a likelihood of confusion between TD EVERGREEN and EVERGREEN SAVINGS CREDIT UNION, because it has previously argued that there is no likelihood of confusion between TD EVERGREEN and EVERGREEN CANADA-ISRAEL INVESTMENTS. The applicant relies on the Supreme Court of Canada's decision in *S.C. Johnson & Son, Ltd. et al. v. Marketing International Ltd.* (1979), 44 C.P.R. (2d) 16 (S.C.C.). In that case, the issue was whether the defendant's mark BUGG OFF could infringe the plaintiff's trade-mark registration for OFF!, given the plaintiff's argument during prosecution of its application that OFF! was not confusing with BUGZOFF.

An overall consideration of the factors set out in subsection 6(5) of the Act favours the applicant. EVERGREEN SAVINGS CREDIT UNION has a fair degree of inherent distinctiveness and TD EVERGREEN is inherently distinctive. The extent to which each mark had become known as of the material date favours the applicant. The length of time that each had been used also favours the applicant. The nature of the services and businesses are similar to the extent that both offer financial services but differ to the extent that the applicant is a credit union, offering services only to its members, whereas the opponent is a bank whose relevant services are targeted at members of the public interested in wealth management. People typically exercise caution when purchasing financial services. Regarding the resemblance between the marks, the opponent

made the decision to emphasize its reputation in the banking sector by taking steps to ensure that its house mark TD was incorporated as the first, and therefore dominant, portion of its mark. On the other hand, the applicant's mark draws attention to the fact that it is a credit union. Another surrounding circumstance is the lack of confusion despite coexistence. It is of course not necessary for the opponent to evidence confusion in order to succeed, but the absence of confusion does entitle one to draw a negative inference about the opponent's case [see *Monsport Inc. v. Vetements de Sport Bonnie (1978) Lteé (1988)*, 22 C.P.R. (3d) 356 (F.C.T.D.), *Mercedes-Benz A.G. v. Autostock Inc. (formerly Groupe T.C.G. (Québec) Inc.)*, 69 C.P.R. (3d) 518 (T.M.O.B.)].

There is no evidence that the applicant has acquired a reputation in association with its mark outside of Vancouver Island. Therefore, I cannot conclude that the applicant's mark actually distinguishes its services throughout Canada. I am however satisfied that the applicant's mark is capable of distinguishing its services throughout Canada. It appears that the parties' marks have co-existed without confusion on Vancouver Island, *i.e.* the applicant's mark actually distinguishes its services from those of the opponent on Vancouver Island, and therefore it seems likely that the applicant's mark is adapted to distinguish its services from those of the opponent elsewhere in Canada. It is to be remembered that in this case, the applicant's use began long before the opponent's.

In order for the applicant to meet its burden, I must simply find that the existence of the contested fact is more probable than its nonexistence. In the circumstances of the present case, I

find that it is more probable than not that the applicant's mark is capable of distinguishing its services from those of the opponent throughout Canada.

Having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act*, I reject the opposition pursuant to subsection 38(8) of the Act.

DATED AT TORONTO, ONTARIO, THIS 20th DAY OF FEBUARY 2004.

**Jill W. Bradbury
Member
Trade-marks Opposition Board**